

Turkey Prosperity Fund FY 2016-2017

Country Objective Document

Thematic Area 1: Financial Services

Our objective is to support the development of Turkey's Financial Services sector which is essential in increasing economic growth and local savings that in turn leads to productive investments. We support Turkish Government's ambition to turn Istanbul into a Financial Centre through diversification of the sector in terms of financial institutions and tools; increasing coordination and collaboration between public and private institutions; and investigating linkages between the UK and Turkey for future partnerships.

Activities may include but not limited to the following:

- Offer UK expertise in policy support and capacity building
- Helping with the primary and secondary regulations of financial markets
- Events to showcase the UK expertise in financial markets and discover the areas of potential collaboration
- Establishing a mechanism to ensure the sustainability of Turkey-UK partnership in financial services
- Inward and outward visits aimed at increasing the collaboration between Turkish and British public and private sectors
- Initiatives aimed at supporting the coordination and collaboration between the public and private financial sector institutions in Turkey

Priority.1

To support **pensions, asset management and insurance** sectors. These areas are under-penetrated in Turkey and we want to work on knowledge and expertise sharing to help the sector to reach its full potential.

Priority.2

To support efforts aimed at raising awareness/knowledge on **Islamic Finance**, developing instruments and reach a wider consumer base.

Priority.3

Supporting **green/climate financing** models and efforts.

Thematic Area 2: Low Carbon Economy

The overall objective is to support public and private sector in the transition to low carbon economy. Projects that are aiming i) to scale-up emissions reductions and foster private sector investment and ii) to support the public and private sector to see the low carbon economy as a lever for competitiveness and growth and to increase investments in low carbon technologies will be supported.

Activities may include but not limited to the followings;

- to champion low carbon models and practices and promote UK low carbon business solutions.
- events to showcase UK low carbon economy expertise
- offer UK expertise in policy support and public sector coordination
- to develop a capacity and guiding documents to integrate green growth into economic and development policy planning

Priority.1

To explore Turkey's potential priorities and needs with regard to the **renewable energy sector**. Main sector to be covered are as below;

Offshore Wind

Under Turkey's energy needs, reducing energy dependency and supporting low carbon development, we are looking for projects that would layout the offshore wind map of Turkey in terms of wind potential and feasibility of building up wind farms, regulatory framework, unique environmental requirements of the Turkish Coastline to mitigate earthquake and tsunami effects to the offshore platforms.

Nuclear Energy

We would like to welcome projects that help building the supply chain in nuclear industry, transfer of know-how and training experts in the area.

Priority.2

To support solutions, policies and implementations to facilitate **energy efficiency practices**. Main sector to be covered are as below;

Smart Cities

Smart grids-include a variety of operational and energy measures including smart meters, smart appliances, renewable energy resources, and energy efficiency resources. Champion and promote UK expertise on smart grid systems in minimising consumer bills; allowing consumers to play a more active role in managing the energy system; increasing energy security; helping to facilitate the integration of low carbon technologies and supporting economic growth.

Reducing carbon footprint

Champion and promote UK low carbon business models to compensate businesses most at risk of carbon leakage, to help offset the cost of energy and climate change policies.

Priority.3

To support Turkish Government to recognise green growth and low carbon development as essential to Turkey's prosperity and mobilise political support to achieve national target (**Intended Nationally Determined Contributions**).

Thematic Area 3: Transparency

The main objective is to support public and private sector in Turkey towards a more open and accessible business environment which will enable Turkey to be better integrated to a rules based international economy. Domestic and foreign businesses and mobile foreign investors need consistency, transparency and independent regulatory institutions to operate in Turkey. We aim to increase the ease of doing business in Turkey.

Activities may include but not limited to the followings;

- capacity building for public and private sector transparency, public procurement and increased business understanding of corruption.
- creating awareness
- developing tools and procedures

Priority.1

To strengthen Transparency and Openness by supporting the Turkish private and public sector in its integration to **rule based international economy** that is open and corruption free.

Priority.2

To encourage **good governance and rule of law** by supporting the Turkish Government with its efforts in EU accession process towards better governed institutions, and strict enforcement of the law. Also to encourage private institutions by introducing the advantages of good governance in the

international arena. Municipalities are also an important component of the good governance and rule of law.

Thematic Area 4: Science and Innovation

Building on Newton Fund and UK-Turkey Year of Science & Innovation, we aim to engage with key stakeholders to facilitate research and development capabilities in Turkey and support an innovative economy. Encourage commercial and scientific collaboration with UK universities, research and innovation centres (i.e. catapults) and industry. Priority sectors to include: energy, health and agri-tech. With the increasing R&D capacity in Turkey in the recent years, Turkish stakeholders had started to focus increasingly on increasing relationships between industry and academia, develop their know-how on different aspects of commercialization and flourish the entrepreneurial culture especially within technoparks. Projects to be funded are encouraged to support all these aspects and find alternative ways to bring together the UK expertise/capabilities with the Turkish needs/capabilities. Projects with longer term projections and sustainability plans are encouraged.

Activities may include but not limited to the followings;

- Capacity building activities for the Turkish universities focusing on increasing the links between the universities and technoparks,
- Increase the know-how and networks of the companies in technoparks (especially SMEs), together with researchers with entrepreneurial activities (i.e. through entrepreneurial trainings / introduction of potential investors)
- Support Turkey's and UK's presence and visibility in each others' research landscapes with increased interaction and strategic partnerships
- Develop medium to long term projections and roadmaps in line with the activities undertaken to identify where further investment on UK-Turkey scientific partnership can focus on.

Priority.1

To support researchers and businesses **to develop the research into a commercial products or services**

Priority.2

To develop capacity and partnerships to increase Turkish universities' scientific, technological and innovation capacity, especially in cooperation with Technology Transfer Offices and Technoparks, that will help to strengthen the links between industry and academia.